

**Request for Proposal  
April 24, 2008**

**Crestwood School District  
1501 N. Beech Daly Road  
Dearborn Heights, Michigan 48127  
Phone: 313-278-0906  
Fax: 313-278-4774**

**For Upgrades to Crestwood School District  
through a Guaranteed Energy Savings Contract**

**Introduction**

Crestwood School District (hereinafter referred to as Owner) is seeking specific qualifications from interested Energy Contractors (hereinafter referred to as contractor) that are capable of providing comprehensive services for the purpose of entering into a Guaranteed Energy Services Contract for the following project:

**Facility Upgrades for Crestwood School District**

These services include engineering studies, design engineering, construction, project management, ongoing support and management of the installed systems. The contractor will be required to guarantee the design and installation to perform to specific parameters in regards to the environment and cost of operating the system. The contractor will be required to guarantee the following:

- All Design & Construction Costs
- Performance of the Systems
- Energy Savings Guarantee
- On-going Support Services

The successful contractor will provide the Owner the best combination of outstanding quality and value, in-house capabilities, a proven record of finding unique solutions in mechanical and HVAC Design specifically for K-12 public schools, excellent financial offerings, and a guarantee.

All potential bidders are required to submit qualifications. The contractor's will be evaluated in part on their qualifications and experience with public school systems. If selected, the Owner will issue a Letter of Award.

**Purpose**

This RFP requests the services of a Contractor to develop and implement improvements to the school facilities environmental systems and infrastructures. To be included in the program (but not be limited) is the Heating, Ventilating and Air Conditioning Systems, Lighting, Water, Controls, Fenestration Improvements, etc. The overriding concern in considering the upgrades to be offered is the design of the systems that offer the greatest benefits for the students of the School District.

The intent of this contract is to purchase upgrades to the district that will provide the best environment for the students while providing the best return on investment based on guaranteed installed costs, energy and operational savings. The following schools and/or buildings are to be included in the scope of work:

Crestwood High school  
Riverside Middle school  
Highview Elementary School  
Kinloch Elementary School  
Hillcrest Elementary School  
Transportation Building  
Administration Building

The scope of work shall include, but not be limited to:

New Boilers  
New Lighting  
New Energy Management System  
Energy Behavioral Program

Refer to Attachment E for other Project / Scope information.

### **Incurring Costs**

The owner is not liable for any cost or expenses incurred by the energy contractor in the preparation of their written responses or for attendance at any conferences and meetings related to this RFP. Any cost or expense incurred by the contractor in performing any analysis associated with this RFP shall be borne by the contractor.

### **Guaranteed Contracting**

The Owner is interested in contracting for a full range of services. These services may include but are not limited to:

1. Complete engineering study of selected schools
2. Design and installation of new HVAC, lighting, controls and other energy conservation systems that meet all State & Local Codes as well as other standards outlined later in the RFP
3. On-going auditing, and support of energy conservation measures
4. Monitoring of energy costs
5. Financing for the project

**Improvements must result in a guaranteed minimum savings. The contractor will be required to provide financing for the program – either internally or through a third party entity. The yearly payments of the Owner shall not exceed the guaranteed savings. The program cannot exceed more than fifteen (15) years in length. The Owner will be required to pay no “Up-Front” costs or upfront capital, meaning no payments will be made to the contractor until the project is finalized and installation is complete.**

The successful contractor must provide guarantees on the following:

- Project Costs
- Future Energy Savings
- System Performance

**No proposal shall exceed fifteen (15) years in duration and payment is subject to annual appropriations.**

**Description of the Procurement Process:** It is anticipated that the process for the procurement of these services will proceed in three stages.

1. **Site Visits:** Site visits to facilities will be conducted as outlined on the schedule found on Attachment B. Due to a stringent timeline – **no exceptions** will be made to this schedule.
2. **Submission of Written Proposals:** Each contractor through its designated representatives will review and evaluate the written requirements to this RFP in accordance with the selection criteria identified in Attachment D.
3. **Selection of Contractor to Develop Contract:** Owner will select the best qualified firm to perform the Energy Project. The successful contractor must submit to the owner proposed contract terms concerning proposed facility improvements, the timetable for completing engineering, and construction work, a detailed description of services to be provided, specific financing arrangements and terms, as well as special conditions offered by the company.

With project financial benefits dependent upon the scope of technical retrofits, respondents are encouraged to carefully review the evaluation criteria in the RFP under Financial Approach and to respond as fully as possible.

**Proposal Submission:** Companies who wish to respond to this RFP must submit a sealed bid - one (1) original and four (4) copies of the RFP response by the required time and date to the proper address. All proposals must be received by the closing date and time indicated in Attachment B. Bids received after this time will not be considered or accepted. The cover label shall be as follows:

**Crestwood School District  
Dr. Laurine VanValkenburg, Superintendent  
1501 N. Beech Daly Road  
Dearborn Heights, MI 48127**

**Response for RFP for Energy Service Contract**

**Submitted by:  
Contractor Name  
Contractor Contact  
Contractor Address**

Bids will be opened and publicly accepted at 2:15 p.m. on May 12, 2008 at the office of the Board of Education.

The bid price shall not include an allowance for State Sales Taxes or Federal Excise Tax. The Owner, upon request, will provide the successful bidder with properly executed tax exemption certificates or tax exemption numbers. All other taxes required by law shall be paid by the successful vendor.

Respondents shall submit a bid bond in the amount of 5% of the total costs associated with the project.

All proposals shall be accompanied by a sworn statement disclosing any familial relationship that exists between the owner(s) or any employees of the bidder and any member of the Board of Education of the School District or the Superintendent of the School District. The Board of Education shall not accept a proposal that does not include a sworn and notarized familial relationship disclosure statement.

All submissions become property of the Owner and will not be returned to the contractor.

All costs associated with the submission preparation will be borne by the submitting company.

Any proposal may be withdrawn or modified by written request made by the proposer, provided such request is received by the Owner at the above address prior to the date and time established for receipt of proposals. Proposals not so withdrawn shall constitute a firm offer to provide the services contained therein and shall remain firm for acceptance for sixty (60) days. No bidder may withdraw their bid within 60 days after the actual date of the bid opening, doing so will forfeit that bidders bid bond.

The Board of Education has the right to reject any and all proposals, either in whole or in part, to waive any informalities or irregularities therein, or to award the contract to other than the lowest bidder, in its sole discretion.

## **ATTACHMENT A**

### **General Information**

#### **A) Technical Requirements:**

1. Engineering Study: The contractor will provide an engineering study of the existing buildings, develop recommendations for upgrades to the facility and outline associated savings. The contractor must be willing to guarantee these findings. Based on these, the contractor will provide a 15 year financial model of the proposed program.
2. Buildings with existing controls: The contractor shall provide controls that integrate with existing systems throughout District or outline other alternatives.
3. The new systems must be capable of meeting and maintaining the following standards in the schools.
  - 72 degrees during occupied periods
  - 65% RH at all times
  - ASHRAE Standards 62-1989 (ventilation)
  - Minimum 15 CFM fresh air per student
4. A registered Professional Engineer must serve as Engineer of Record. Stamped drawings for all work performed must be submitted.
5. The contractor will be required to work with current building management and maintenance personnel to coordinate construction and provide appropriate training in the operation of the new systems.
6. Contractor must provide CAD, reproducible “as built” and record drawings of all existing and modified conditions associated with the project, conforming to typical engineering standards. These should include architectural, mechanical, electrical, structural and control drawings and operating manuals within 30 days of the completed installation.

#### **B) Project Funding:**

Respondents shall be willing and able to provide the capital investment required to fund this project. The cost of the proposal generation, system design and all other “up front” costs shall be borne by the respondent with no obligation to the owner.

The financial goal of this program is twofold.

1. Self-fund the upgrades to the school through energy and operational savings
2. Provide financing for the proposed projects with terms not exceeding 15 years and subject to yearly appropriation

The proposed agreement shall not constitute a debt, liability or obligation nor will it be a pledge of faith and credit of the Owner.

### **C) Savings Guarantee:**

The contractor shall provide a written savings guarantee, supported by a surety bond that guarantees energy cost savings for 15 years. The guarantee shall be monitored monthly and reconciled on an annual basis, commencing one year from the date of completion of installation. In the event that the actual savings are less than the guaranteed savings, the contractor shall provide a cash reconciliation of the difference.

The guarantees should be based on the contractor's confidence in the design. **Guarantees through insurance companies will not be accepted.**

### **D) Eligible Bidders:**

Eligible bidders are limited solely to companies who have a proven record of experience and are willing and able to guarantee the cost, performance and savings associated with the proposed projects.

### **E) Proposal Format:**

Proposals must be submitted in the format outlined in this document. Prior to the actual evaluation, each proposal will be reviewed to determine whether or not it is complete. Proposals that do not contain the information requested will not be considered.

Respondents shall use the prescribed format as described in Attachment C, to clearly indicate their experience and qualifications, technical program and fully describe their proposed guarantee energy savings contract. Proposals will be evaluated in light of the material and substantiating evidence presented in the proposal and not on the basis of what is inferred.

### **F) Contractor Responsibility:**

The selected contractor will be required to assume total responsibility for all the services offered in the proposal. The selected contractor will be considered the prime contractor and the sole point of contact with regard to all contractual matters.

### **G) Payments:**

Payments shall not exceed the total savings realized under this program for the terms of this agreement. This project must be cash flow positive from Year 1 until end of term.

## **H) Required Bonds and Insurance:**

Prior to the award of a guaranteed contract, the contractor shall provide the Owner with a 100% project value surety bond for its faithful performance and a surety bond for payment of labor and materials used in performance of the contract, which shall be in addition to the guarantee surety bond as required.

To adequately protect the interests of the Owner, the successful bidder shall procure and maintain in effect during the life of the agreement insurance coverage for Owner, as additional insured, as follows:

1. Commercial General Liability insurance in the amount of not less than \$1,750,000 each occurrence.
2. Comprehensive Automotive Liability insurance in the amount of not less than \$1,750,000.
3. Workers Compensation insurance in the amount of not less than \$1,000,000 each accident.

In addition, Professional Liability insurance coverage shall be in force according to the requirements for engineering design work in this State. Evidence of required bonds and insurance shall be presented prior to the execution of the contract. Required insurance policies shall not be changed nor cancelled with less than thirty (30) days prior written notice to the Owner.

## **I) Taxes, Fees, Code Compliance and Licensing:**

The contractor shall be responsible for the payment of any required taxes or fees associated with the execution of this contract. The contractor shall also be responsible for compliance with all applicable codes and statutes. All engineering, design, installation and construction work shall be done by contractors licensed in this State.

## **J) References and Proprietary Information:**

Submission of a response authorizes the owner to make inquiries concerning the respondent and its officers to any persons or firms deemed appropriate by the Owner. Any proprietary information that the contractor does not want disclosed to the public shall be so identified on each page in which it is found. Data or information so identified will be used by the Owner solely for the purpose of evaluation and contract negotiations only.

## **K) LEGAL APPROACH**

A sample contract must be provided upon request of owner. Letter of Award will not be given until a sample contract is provided by the contractor for review.

**L) Inquiries:**

Questions that arise shall be submitted in writing to the Owner. The point of contact for this project is:

Superintendent	Dr. Laurine VanValkenburg 313-278-0903 PH 1501 N. Beech Daly Road Dearborn Heights, MI 48127
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Operations/Maintenance Supervisor	Ron Alessandrini 313-274-3716 PH 1501 N. Beech Daly Road Dearborn Heights, MI 48127
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A pre-submission meeting will also be held on April 29, 2008 at 2:00 p.m. at the office of the Board of Education, 1501 N. Beech Daly Road, Dearborn Heights, MI 48127 to address any questions.



## ATTACHMENT B

### Proposed Project Schedule

<u>ACTIVITY</u>	<u>DATE</u>	<u>TIME</u>
RFP Invitation	April 24	8:00am
Site Visits**	April 25, 28	8:00am
Pre-Submission Meeting	April 29	2:00 pm
RFP Responses Due by	May 12	2:00pm
RFP Award Announcement	May 20	
Contract Award	May 30	
Begin Project	June 1	
Project Completion	Sept 1	

\*\* - Please contact Karla Sladewski, Secretary to the Director of Business Operations, at 313-274-5726 to confirm site visit.

## **ATTACHMENT C**

### **Proposal Response Format and Preparation Instructions**

Responses must be submitted in the format outlined in this section. Each response will be reviewed to determine if it is complete prior to actual evaluation. The Owner reserves the right to eliminate from further consideration any proposal which is deemed to be substantially or materially unresponsive to the requests for information contained in this section. The intent of the Owner is that all responses follow the same format in order to evaluate each respondent fairly.

Each Respondent will provide the Owner with one (1) original and four (4) copies of the RFP response.

#### **A) TABLE OF CONTENTS:**

Responses shall include a Table of Contents properly indicating the appropriate sections.

#### **B) EXECUTIVE SUMMARY:**

Responses shall include a concise abstract of no more than two (2) pages stating the respondent's overview of the project.

#### **C) EXPERIENCE AND BACKGROUND:**

1. Provide the completed Contractor Profile Form (Attachment D)
2. Provide at least 3 relevant projects similar to the project being bid on in this proposal – include Reference Name and Contact Number.
3. Provide the Savings and Costs associated with above projects.

#### **D) TECHNICAL SUMMARY**

Technical Summary shall follow the format below:

1. Standards of Controls
  - I. Current Operating Hours vs. Projected Operating Hours
  - II. Current Operating Temperatures vs. Projected Operating Hours
2. Complete Descriptions of all energy conservation measures (ECM) being considered for each school. Each School must have it's own ECM description.
3. ECM Summary Table
4. Project Time Table
5. Special Project Conditions / Disclaimers on Project
6. The proposal shall provide a detailed breakdown of the energy performance savings to be derived each year and for the duration of the energy saving performance contract, including at least all of the following:
  - i. A description of the guaranteed energy use savings and tasks to be performed under the energy saving performance contract.
  - ii. The combined total net cost of all of the energy conservation measures in the project.

- iii. The projected energy savings and operating and maintenance cost savings resulting from the project.
  - iv. The useful life of each energy conservation measure.
  - v. The simple payback period.
- 7. The bidder shall certify that measurement and verification techniques for determining cost savings will be performed in accordance with the protocols published in January 2001 by the International Performance Measurement and Verification Protocol, as amended from time to time.

## **E) FINANCIALS**

- 1. Provide a detailed description on your firm's arrangements for financing of this project – what bank(s) are involved, responsibilities of each party and any special conditions associated with financing this project.
- 2. Provide a detailed description of the type of financial guarantee being provided for this project – Specifically A, B, C, D. If different for each ECM – break down for each ECM.
- 3. Provide the detailed cash flow for this project. Utility and operational cost savings shall be escalated at 4% annually in the cash flow analysis.

## **F) ON-GOING SUPPORT AND SERVICES**

- 1. **Mechanical Service and Repair:** List five (5) references to indicate the service quality of the responding firm. Each reference shall demonstrate local mechanical service and repair experience. The scope of mechanical service work and the dates of services shall be indicated for each reference. Provide the owners name, address, telephone number, and contact person for each reference.
- 2. **Environmental Services:** Describe your ability to provide professional environmental services, specifically in regard to Indoor Air Quality.
- 3. **Training:** Describe the type of training available to the Owner in regards to the systems you will be installing.

## **ATTACHMENT D**

### **CONTRACTOR PROFILE FORM (TO BE USED IN SECTION C OF RFP RESPONSE)**

*In paragraph format, please include the following information in the order it is requested  
(This attachment is not intended to be used as a form).*

#### **A. OVERVIEW OF FIRM**

- 1. Firm Name, Business Address, City, State, County, Zip Code**
- 2. Names and Titles of two contact people**
- 3. Outline your Company History**
- 4. Date Prepared**
- 5. What is your firms Core Business? (as described in Business Journals).**
- 6. Does your firm, or any Branch of your firm, manufacture equipment or product?**
- 7. If your firm manufactures equipment or product, how is the cost of the following recovered?**
  - ☐ Research and Development, and what is the dollar amount your firm spends yearly?
  - ☐ Product Liability
  - ☐ Factory Overhead (cost of personnel, equipment, buildings, etc.)
  - ☐ Home Office and Area Fees
  - ☐ Marketing and Sales
- 8. Are the overhead costs described above applied to the installation costs of this project?**
- 9. If your firm manufactures a product (such as chillers, controls, etc.) and such a product is required on this job, will you consider other manufacturers?**
- 10. Federal Employee Identification Number**
- 11. Outline and Detail all products that your company manufactures that you will include in this project**

**12. Please provide a detailed organizational chart of your local firm.**

**13. Are you willing to provide an on-site tour of your firm?**

**14. Provide a detailed Project Organizational Chart giving names and job descriptions for this project. Provide a brief description of each member giving his/her following information:**

- ☐ Is he/she employed by your firm?
- ☐ Provide a detailed resume of his/her qualifications with references or similar projects completed
- ☐ Describe the local resources and support available to support this person
- ☐ Detail of K-12 projects completed locally over the last 5 years.

**15. Provide a detailed description of your in-house design/engineering support capabilities to include:**

- ☐ Number of Engineers on staff
- ☐ Number of Estimators and resumes of each estimators background and experience
- ☐ Number of engineering assistants and resumes of each assistants' background and capabilities.
- ☐ Describe your drafting capability in regards to mechanical design and resumes of each draftspersons background and capabilities.
- ☐ *Dollar Volume of Design work your in-house design team has completed for each of the last five years.*

**16. Enclose bonding references including company name, address, contact person, telephone number and information on your firm's maximum bonding capability.**

## **ATTACHMENT E**

### **Miscellaneous Project / Site Information**

#### **Annual Lighting Operating Hours**

Use the following annual lighting operating hours to calculate savings derived from modernization or upgrading of lighting systems:

##### **Elementary Schools**

Hallways	3000
GYM/Multi-Purpose Rooms	2400
Classrooms	1900
Offices	2200
Closets	500
Mechanical Rooms	1600

##### **High School and Middle School**

Hallways	3000
GYM/Multi-Purpose Rooms	3000
Classrooms	1800
Offices	2200
Closets	500
Mechanical Rooms	1600

##### **Other Info**

Rates to be used in savings calculations -

High School – Electric Blended Rate	\$0.088 per kwh
Middle School – Electric Blended Rate	\$0.108 per kwh
Elementary Schools – Electric Blended Rate	\$0.109 per kwh
Natural Gas Blended Rate	\$8.38 per MCF
Escalation rate of utilities	4% per year

##### **Operational Savings**

Escalation rate of 4% per year

##### **Building Drawings**

Building drawings are available for viewing on site. No drawings shall leave the facility.

##### **Utility Bills**

A set of utility bills are available to have copies made. The originals must be brought back within 24 hours of signing them out.